

GRADUATE MEDICAL EDUCATION REPORT

**Agenda Item D-2
February 5, 2001**

Academic health centers around the country are being buffeted by changing funding and program demands. Recent changes in health-care delivery and Medicare funding have left many academic health centers strapped. Some operating losses have been very large, including those at the University of Pennsylvania (\$90 million in the 1998 fiscal year) and the University of Texas at Galveston (\$80 million in the 1999 fiscal year). Kentucky's academic health centers are solvent, but awareness of the financial pressures on academic medicine is important for the council and everyone involved in medical education.

Lois Nora, M.D., associate dean of academic affairs and administration at the University of Kentucky College of Medicine, served as a fellow of the American Council on Education last year at Ohio State University. Dr. Nora analyzed graduate medical-education for the council during her fellowship year. She reviewed national trends and interviewed medical-education leaders in Kentucky. She will make a brief presentation, focusing on the changing financial climate for academic health centers. Her presentation will review reasons behind the funding problem, the possible effects on academic medicine, and actions national organizations are taking to address these issues.

Staff Preparation by Jim Applegate